CPI AND INFLATION RATES FOR THE MONTH OF JANUARY 2011

The Kenya National Bureau of Statistics hereby releases the Consumer Price Indices (CPI) and inflation rates pertaining to the month of January 2011 (base period, February 2009). The numbers have been generated through data collected from selected retail outlets in 25 data collection zones located in 13 urban centers. This data is normally collected within the second and third weeks of the month of review.

As indicated in Table 1, the CPI increased by 1.09 percent from 109.38 in December 2010 to 110.57 in January 2011. The overall inflation rate stood at 5.42 percent in January 2011.

Table 1: One Month and Twelve Months Changes in the Price Indices

Broad Commodity Group	New CPI Weight	% Change on Previous Month (January 2011 / December 2010)	% Change on Previous Year (January 2011/ January 2010)
Food & Non-Alcoholic Beverages	36.04	0.91	8.56
Alcoholic Beverages, Tobacco & Narcotics	2.06	-2.09	2.22
Clothing & Footwear	7.43	0.69	3.59
Housing, Water, Electricity, Gas and other Fuels	18.3	2.21	4.42
Furnishings, Household Equipment and Routine Household Maintenance	6.16	1.08	4.28

Health	3.13	0.76	5.53
Transport	8.66	1.06	8.41
Communication	3.82	-2.27	-25.16
Recreation & Culture	2.25	1.53	4.78
Education	3.14	3.31	4.18
Restaurant & Hotels	4.48	0.88	7
Miscellaneous Goods & Services	4.52	0.83	2.99
Total		1.09	5.42
	100		

The Food and Non Alcoholic drinks' index went up by 0.91 percent between the months of December 2010 and January 2011. This was attributed to cost increases recorded in respect of a number of food products including sukuma wiki, fresh packeted milk, maize grain and potatoes. The prices of these items went up by 10.1, 2.2, 4.6 and 2.6 percent, respectively.

The Housing, Water, Electricity, Gas and Other fuels' index went up by 2.21 percent between the months of December 2010 and January 2011 mainly on account of increases in the costs of cooking gas, kerosene and rent for most residential houses. The prices of these three went up by an average of 8.0, 8.1 and 4.0 percent, respectively, between the two months.

Similarly, the Education index rose by 3.31 percent, mainly due to increased costs of tuition fees for private primary and secondary schools and for tertially institutions. The prices of these items went up by 6.6, 4.4 and 12.8 percent, respectively, between the months of December 2010 and January 2011.

The decline in the Alcoholic Beverages, Tobacco & Narcotics' index was mainly attributed to falls in the prices of cigarettes while that of the communication's index was attributed to lower costs of cell phone calling and messaging charges.

Table 2: Overall CPI and Inflation Rates

February 2009=100

Month	Overall CPI	Overall rate of Inflation
Jan-10	104.89	
Feb-10	105.18	5.18
Mar-10	104.97	3.97
Apr-10	105.56	3.66
May-10	105.79	3.88
Jun-10	105.61	3.49
Jul-10	105.98	3.57
Aug-10	106.25	3.22
Sep-10	106.74	3.21
Oct-10	106.97	3.18
Nov-10	107.86	3.84
Dec-10	109.38	4.51
Jan-11	110.57	5.42